Previous references.

File No. 582-09

1909.

Serial Nos. 1-2

(Gl. Fin)

Later references.

G. 7. 9 of 1681142(a, b), 143, 145, 183(a, b)
April 1917

P 18E

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1-2

Part B. for September 1910.

Issuing orders on the practice of drawing House-building advances and depositing them in Govt. Savings Banks.

From the Comptroller No. 6303/H-B. 1934 D. 6-6-10.
Brings to the notice of Govt. the practice of drawing H. B. advances free of interest and depositing them in Govt. Savings Banks as an investment and solicits the issue of suitable orders.

To the Comptroller, Heads of Depts & D.Cs of Districts. No. H. 1140-80 D. 2-9-10 directing that advances drawn for H. B purpose be promptly utilized for the purpose and if the whole amount is not required immediately, it may be taken by instalments and that S. Banks accounts so far as they relate to these deposits be closed allowing no interest thereon.

G. R. S. 56

G.R.S.11] 1909.10

GENERAL AND REVENUE SECRETARIAT

(Ll: Fin.

NOTES.

File No. 582-09

FILE HEADING.

The practice of drawing House-building advances and depositing them in the Govt: Savings Banks.

From

The Comptr.

No. 6303 H.B. 1934 Dated 6.6.10 Received 7.6.10.

Diary No. 4978 | Enclos. | Spare Copies | Serial No. 1

BRIEF ABSTRACT OF LETTER.

Brings to the notice of Govt: the practice of drawing H.B. Advances free of interest & depositing them in Govt: Savings Banks as an investment and solicits the issue of suitable orders.

NOTES AND ORDERS.

The Govt: advance money without interest, but when the amounts of such advances are invested in Govt: Savings banks, they have to pay interest thereon. The Comptr: says that the Dy. Comrs should enforce strictly the rule

NOTES—First sheet

GPB—30,000—3-4-07.

G. R. S. 12]
General and Revenue Secretariat.

Fk. Fin File No. 582 of 1909-6

Serial No.

That the House Building Advances should be promptly & properly utilized for the purpose for which they are granted; that the amounts of H. B. Advances should not be allowed to remain long as Savings Banks Deposits and that the payment of any interest on such deposits is unjustifiable.

Submitted for orders.

K.S.
20/6/10

The complainers observations are just as the officers who deposited the money in the Savings Banks violated the terms that they would refund any money remaining over and above their requirements. Where no immediate need for the money they ought not to have drawn it or drawn it in instalments whenever applied. The Savings Bank accounts should be closed & no interest on the deposit allowed.

Please prep draft.

L
20/6/10

Subd

K.S.
20.6.10

21

It would be difficult to detect such cases if the officers manipulate clevorly but all the same the views of Govt on the subject may be made known. The draft as altered may if approved issue.

L
21.6.10

L
21/6

L
25.6.10

GPB—50,000—13.5.08

G. R. S. 12]
General and Revenue
Secretariat.

File No. of 190

Serial No.

Draft approved -
Explanations of the Ofcrs named
have been read & may be shown to
Fin Secy vide 18 Aug 10

HM
22/8/10

Hlees)

Seen: Thanks. HM
24/8/10

[I would suggest the portion of the draft enclosed in red brackets being left out if the Dewan sees no objn. HM]

Dewan)

7565/25.8.10

The words in brackets have been struck out under the Dewan's initials.

HM
27.8.10

Issue

2 To the Comptroller:
" Heads of Deptts & D.C's of Dts
No. H 1160-80 of 2-9-10.
Directing that advances drawn for H.B purposes be promptly utilised for the purpose & if the whole amt is not req^d immediately, it may be taken by individuals & that S.B. accounts so far as they relate to these deposits be closed allowing no interest thereon.

NOTE—Contn. sheet

GPB—50,000—25.2.07

It is requested that in future communications on the subject, the No. and date of this letter, and the distinguishing letters below the number as given opposite, may be quoted and addressed to the Comptroller, Mysore Government.

No. 6303 #B. No. 1934

OFFICE OF THE COMPTROLLER, MYSORE GOVERNMENT,

Dated Bangalore, the 6 June 1910.

582-9-1

FROM

J. S. CHAKRAVARTI, ESQ., M.A.,
F.R.A.S., etc.,
Comptroller to the Government of
His Highness the Maharaja of Mysore.

To

.....Esq.,

The *Secretary to the Government of Mysore,*

Financial.....*Department.*

SIR,

I have the honor to bring to your notice that Mr. G. Subbuswami Iyer, Superintendent, Industrial School, Mysore, and Mr. Humza Huss[illegible] Acting Sessions Judge, Shimoga, to whom house building advances were granted by Government to the extent of Rs.1800/- and Rs.3,300/- respectively have drawn the advances and deposited the amounts in the Government Savings Bank the former a part viz., Rs.700/- only in his own name and the latter the whole amount in the names of his minor son and another.

2. I happended to notice these facts because the amounts were directly transferred to Saving Bank Deposits, without cash transactions taking place. If, instead of the book Adjustment, the advances had been paid in cash and these amounts had been subsequently deposited in the Savings Bank it would not have been possible to notice them. I am thus led to the conjecture that the above may not be the only instances in which House Building Advances have been deposited in the Saving Bank. The effect of such deposits is that Government would be paying interest on the money which they themselves have advanced without interest and this seems to me to be hardly fair. Such cases would not remain long in the Savings Bank if the Deputy Commissioner forces the rules re the grant of house building advances requiring

Rec.—Gl. 17.

.....Department.

19

From

J. S. CHAKRAVARTI, Esq., M.A.,
F.R.A.S., etc.,
Comptroller to the Govt. of
H. H. the Maharaja of Mysore.

To

....Esq.,

Secretary to the Govt. of Mysore,
Jt Secl to Govt .....*Dept.*

Dated

Despatched 8-6-34

Received

No. 6303

1-8-1934

Subject-matter.

Bringing to notice that Mr
G. Subbarami Iyer Supdt
Industrial road & Mr.
Hamza Hussain asst Supdt
Shimoga have drawn his
house building advance
& deposited the amount
in Sri Rama Bank Ltd

that such advances should be promptly and properly expended.
But as the payment of any interest on such deposits seems unjustifiable, I have to request that Government will pass suitable orders in the matter.

I have the honor to be,

Sir,

our most obedient servant,

J S Chakravarthi

Comptroller.

D. O. No. 7 1175

Camp. Umballa
14th July. 10

My dear Mr Mackenzie

Your letter of the
7th just reached me at Kal-
ka on my way to Simla. I
am highly thankful to
you for having
given me an opportunity
to express my sincere

connected with his deposit
[illegible] house building, & connected
with Mr Tawney's [illegible] at
Mysore. I should have sub-
mitted his explanation
at once, but I was unable
to refer to the Pass books for reference
as regards his dates of de-
posit and subsequent
withdrawals. I have written
to Mysore for the Pass books,
and on their receipt I

shall endeavour to explain
explanation. It may take
a week before the solu-
tion comes to hand.
You may rest assured
that I will do my
best.

With best regards,
I remain
only yours
Alexander Graham Bell

Mysore
14 July 10.

I am sorry that the person
entrusted with the delivery
of enclosed letter kept it
out delivering it to you
first more promptly. I am
really sorry for it.

Yours,
Yours sincerely
[illegible]

V. Narthan Esqre
Bangalore

5

D. O. No. 2 1170

Mysore
9th July 1910.

To
all Dear Sir,

Dear In reply to your D. O. no 1010 / 7-7-10, I beg to state that as I began the front portion of my house in anticipation and as the who advance was not received ~~until~~ till April, I had taken some money from my friends on promise of repaying the amounts when I drew the advance. On account of the absence of one or

D. O. No. 1011

Mysore

7 July 20.

My dear Sir

The Comptroller has reported that the House building advance of Rs 3,300 sanctioned to you by the Govt: was drawn by you and at once deposited by you in the Govt: Savings Bank in the name of your minor son and another thereby obtaining from the Govt. interest on money advanced to you by the Govt: without interest. Before passing final orders in the matter, the Dewan would like to see any explanation that you may wish to offer in this connection.

Yours

Yours truly

s/d K. Matthan

Under Secretary.

Mir Hamza Hussain Esq

" District Judge Shimoga.

"Copy"

C.R.
8 July 10

D. O. No. 1010

Mysore

7 July 10.

Dear Sir,

The Comptroller has reported that out of the house building advance sanctioned to you by the Govt: you deposited a sum of Rs 700 in your Govt: Savings Bank account thereby obtaining from Govt: interest on money advanced to you by Govt: without interest. Before passing final orders in the matter the Dewan would like to see any explanation that you may wish to offer in this connection.

Yours Sincerely

M) K. Matthan.

G Subbusami Iyer Esqr
Supdt: of Industrial Schl
Mysore

C/L 8 July 10

Copy

D. O. No. Fr 1214

21/7/10

My dear Mathew.

Enclosed is an explanatory Statement regarding the deposit I made & the house building advance in the Post Savings Bank. I shall feel much obliged if you kindly place the Statement before the Viceroy.

Yours sincerely

M E M O.

I purchased a site in the Lakshmipuram Extension of the Mysore City, for building a house, in December 1906, but, for want of funds, was not able to start the work. A house-building advance of Rs. 3,300, equivalent to my pay, as Assistant Commissioner, for 6 months, was sanctioned to me in Government Proceedings No. Fl.1134-5/Gl. Fin. 45-09-4, dated Bangalore, 10th August 1909. I could not, however, take the work in hand, as the gentleman to whom I wanted to entrust it - my wife's uncle - was then staying at Shimoga, being a contractor in the Public Works Department. On my transfer to Shimoga, I wrote to Mr Steele, the Executive Engineer, to relieve him at once, but he was not able to do so till the end of January. In the meantime, I went to Mysore during the Moharam Holidays, and as there was an immediate prospect of my starting the work, I drew the advance sanctioned by the Government, on 17th January 1910, and deposited it in the Government Savings Bank, Mysore, for safe custody. A sum of Rs. 2,000 was deposited in the name of my brother-in-law, Mir Baklees Ali, and the balance of Rs. 1,300 in the name of my son, Mir Safder Husein. I could not deposit the amount in my name, as I had a separate account in the Shimoga Savings Bank, and I had to split up the amount, as the amount of deposit at one time cannot, under the rules, exceed Rs. 2,000.

My uncle arrived at Mysore in the early part of February and commenced the work at once. He withdrew,

out

out of the amount deposited in the name of my brother-in-law, Rs. 400 on 5th February 1910, Rs. 700 on 19th February and Rs. 800 on 19th March. I went to Mysore during the Summer Vacation and I withdrew, out of the amount deposited in the name of my son, a sum of Rs.1295 on 20th April 1910. Small balances are left in these accounts chiefly to enable me to make further deposits of moneys, I may send from time to time. My house is estimated to cost from twelve to fourteen thousand rupees and I have already applied to the Government for additional advance. The Savings Bank being a safe place for deposits I could not very well close these accounts.

Substantial progress has been made with the house and the amount drawn has been fully expended, as may be seen from the certificate of the Deputy Commissioner, Mysore, which has been attached to my application for a further advance, forwarded to the Chief Court with my No. A dated 12th July 1910, which I hope has already reached the Government.

It will thus be seen that the advance received from the Government has not been kept long in the Savings Bank, so as to allow large or even appreciable sums of money to accumulate thereon in the shape of interest. The amount that has accrued due to me, up to this date, does not exceed Rs. 9-3-0, and it cannot be said that, for the sake of this money, I deferred the building of the house, and deposited the money in the Savings Bank. If I was actuated by any such motive, I would not have deferred the drawing of the amount sanctioned to me in August 1909 till January 1910, until I was actually ready to start the work of house-building. Nor would I have so openly drawn the amount and deposited a portion of it

in

12

in the name of my son, standing myself as his guardian. I would have drawn the money in cash and deposited it a day or two afterwards. It is true that I could have drawn the advance by instalments as occasions arose. But I was not aware, at the time, of the existence of any such provision in the rules, and moreover, I could not avail myself of it on account of my absence at Shimoga. I recognize, of course, the force of the objection that interest should not be taken from Government in respect of the moneys which it has lent without interest and I am ready and willing to forego the interest that has accrued due to me. But what I pray for is that no reflection may be cast upon my conduct, which was actuated by the honest belief that the Savings Bank deposit was the safest and the legitimate mode of deposit available to me at the time I drew the house-building advance.

Shimoga,
July 21, 1910.

K Bhimarao

G.R.S. 28.]

File No. 582

Serial No. 2

29-8-10

Diary No. of letter replied to 4978

Proceedings of the Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE SECRETARIAT.
(Gl: Sec:)

, *the* 19

Date of issue 2nd Sept/10

Signed by N L Narasimhachar

READ— Letter no. 6303/H-15 1934 dtee 6.6.1910, from the Comptroller bringing to the notice of Govt: certain instances of officers deposits in Govt: Savings Banks free

~~ORDER THEREON—No.~~ account of H.B. Advances granted to them for house building purposes.

No de 1040-80 & 2-9-10 order thereon:—

She Comptr: reports that the effect of such

over

SUBJECT.

sits is that Govt: would be
ying interest on the money
ich they themselves have
advanced without interest thereon
ot. Consider that the officers
ho deposit in S. Banks the amount
of the H. B. advances would be
violating one of the essential
conditions on which the advance
was granted, viz:, that they
refund any money remaining over
and above their requirements. Any advance
taken for H. B. purposes should be properly
& promptly utilized for the purpose and
when the whole of the advance is
not required immediately therefor, it
has to be taken back by instalments
as provided for in sub. 136 of the Civil
Account Code. Govt: can refund also
the Council of the
disposal officers of Govt: who abuse the
concession of H. B. advances
Govt: can withdraw the Council of the officers
responsible for the loan granted and direct that the S. B. accts
in which they hold S. B. deposits
Govt: direct that the S. B. accounts be closed allowing
no interest thereon.

Print.

To the Comptr.

Proceedings of the Government of His Highness the Maharaja of Mysore, Financial (General Finance), dated 2nd September 1910.

Letter No. 6303—H. B. 1934, dated the 6th June 1910, from the Comptroller, bringing to notice of Government certain instances of officers depositing in Government Savings Banks amount of house-building advances granted to them for house-building purposes.

No. FL. 1140-80—G. F. 582-09-2, DATED BANGALORE, 2ND SEPTEMBER 1910.

ORDER THEREON.—The Comptroller reports that the effect of such deposits is that Government would be paying interest on the money which they themselves have advanced without interest. Any advance taken for house-building purposes should be properly and promptly utilized for the purpose and when the whole of the advance is not required immediately, it has to be taken by instalments as provided for in Article 136 of the Civil Account Code. Government direct that the Savings Banks accounts in so far as they relate to these deposits be closed allowing no interest therefor.

J. S. CHAKRAVARTI,
Financial Secretary to Government.

To—The Comptroller, Mysore Government.
The Heads of Departments.
The Deputy Commissioners of Districts.

Exd.—C. R.

1910-11

GOVERNMENT OF HIS HIGHNESS
THE MAHARAJA OF MYSORE

FINANCIAL
NERAL FINANCE)

PROCEEDINGS

No. Fl. 1140-80 / G. F. 582-09-2

Observing that amount drawn as house-building advances should not be kept in Savings Banks and directing Savings Banks accounts containing deposits of advances granted for house-building purposes to be closed allowing no interest therefor.